

MINUTES OF THE MARCH 28, 2022 MEETING
OF THE INVESTMENT COMMITTEE
OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA

The Investment Committee of The Board of Trustees of The University of Alabama met virtually on Monday, March 28, 2022. Trustee Harris V. Morrissette chaired the meeting. Mark D. Foley, Jr. served as Secretary.

On roll call, the following Committee members were present:

The Honorable Harris V. Morrissette, Chair and Trustee from
the First Congressional District;

The Honorable James W. Wilson, III, Vice Chair Trustee from
the Third Congressional District;

The Honorable W. Davis Malone III, Trustee from
the Second Congressional District;

The Honorable Evie VanSant Mauldin, Trustee from
the Fourth Congressional District;

The Honorable Scott M. Phelps, Trustee from
the Fourth Congressional District;

The Honorable Ronald W. Gray, Trustee from
the Fifth Congressional District;

The Honorable William Britt Sexton, Trustee from
the Fifth Congressional District;

The Honorable Vanessa Leonard, Trustee from
the Sixth Congressional District;

The Honorable Barbara Humphrey, Trustee from
the Seventh Congressional District

Other Trustees Present:

The Honorable W. Stencil Starnes, President pro tempore and
Trustee from the Sixth Congressional District;

The Honorable Karen P. Brooks, Trustee from
the Seventh Congressional District

The meeting was also attended by Chancellor Finis E. St. John, IV; Senior Vice Chancellor for Finance and Administration Dr. Dana S. Keith; Assistant Vice Chancellor for Investments and Treasury Justin Fanning; Nolan Bean, Fund Evaluation Group, as well as support staff from the UA System Office and the three campuses. The Honorable Mike Brock, Trustee from the Second Congressional District, was unable to attend.

Director of System Communications Lynn Cole reported that no members of the media provided advance notice that they would be viewing the livestream. She did, however, welcome any members of the media or the public who were viewing the meeting by livestream.

Chairman Morrisette asked if there were any objections to the adoption of the agenda as presented. Hearing none, the agenda was unanimously adopted.

Chairman Morrisette asked if there were any objections to approving the minutes of the February 3, 2022, meeting as distributed. Hearing none, the minutes were unanimously approved.

Chairman Morrisette recognized Nolan Bean with Fund Evaluation Group to discuss recommendations for the Pooled Endowment Fund (PEF) and Liquidity and Capital Reserve Pool (LCRP).

Chairman Morrisette thanked Mr. Bean for his presentation and asked if there were any questions and comments from the Committee. Pro Tem Starnes, Trustee Phelps and Trustee Wilson asked questions on the current state of the market, foreign investments, valuations of private capital funds, investors' response to inflation, and other items related to the proposed changes. Mr. Bean provided answers and comments to the questions.

With no further questions from the Committee, Chairman Morrisette said there were ten resolutions for consideration before the Committee. Prior to opening the floor for discussion, Chairman Morrisette called for a motion to consider the items. On the motion of Trustee Phelps, seconded by Trustee Malone, the Committee opened discussion on the resolutions.

Chairman Morrisette recognized Senior Vice Chancellor for Finance and Administration Dana Keith to present the ten resolutions that outlined the following transactions:

The Pooled Endowment Fund only:

- Public Equity:
 - a 2% position investment in the Polen Capital Focus Growth Fund
- Private Equity:
 - a commitment of up to \$15 million in Sterling Group Partners Foundation Fund

The Liquidity and Capital Reserve Pool only:

- Public Equity:
 - Terminate Contract with the Northern Trust S&P 500 Index Fund

Both the Pooled Endowment Fund and Liquidity and Capital Reserve Pool:

- Public Equity:
 - Terminate Contract with Yost Focused Long Offshore Fund
 - Terminate Contract with DFA Emerging Markets Small Cap Fund
 - Terminate Contract with PIMCO RAE Global Fund
 - A 2.5% position commitment in the PEF and a 3% commitment in the LCRP in The Children's Investment Fund
 - A 1.5% commitment in the PEF and a 2% commitment in the LCRP in the Redwheel Global Emerging Equity Strategy
 - A 3.5% commitment in the PEF and a 4% commitment in the LCRP in the Northern Trust MSCI All Country World Investable Market Index
 - A 2% commitment in the PEF and a 2.5% commitment in the LCRP in the PIMCO RAE U.S. Fund

Dr. Keith recommended approval. Chairman Morrissette then called for a vote, and the Committee unanimously approved the resolutions.

Granting Authorization to Terminate Contract with Yost Focused Long Offshore Fund, LTD

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established a target asset allocation for Global Equity in the Pooled Endowment Fund and Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends termination of our investment with Yost Focused Long Offshore Fund, LTD. in the Pooled Endowment Fund and Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to terminate our contract with Yost Focused Long Offshore Fund, LTD.

Granting Authorization to Terminate Contract with DFA Emerging Markets Small Cap Fund

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established a target asset allocation for Global Equity in the Pooled Endowment Fund and Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends termination of our investment with DFA Emerging Markets Small Cap Fund in the Pooled Endowment Fund and Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to terminate our contract with DFA Emerging Markets Small Cap Fund.

Granting Authorization to Terminate Contract with PIMCO RAE Global Fund

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established a target asset allocation for Global Equity in the Pooled Endowment Fund and Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends termination of our investment with PIMCO RAE Global Fund in the Pooled Endowment Fund and Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to terminate our contract with PIMCO RAE Global Fund.

Granting Authorization to Negotiate and Execute Contract with The Children's Investment Fund

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established target asset allocations for Global Equity in the Pooled Endowment Fund and the Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends an investment in The Children's Investment Fund of approximately 2.5% of the Pooled Endowment Fund and approximately 3.0% of the Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to negotiate and execute a contract with The Children's Investment Fund.

Granting Authorization to Negotiate and Execute Contract with Redwheel
Global Emerging Equity Strategy

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established target asset allocations for Global Equity in the Pooled Endowment Fund and the Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends an investment in Redwheel Global Emerging Equity Strategy of approximately 1.5% of the Pooled Endowment Fund and approximately 2.0% of the Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to negotiate and execute a contract with Redwheel Global Emerging Equity Strategy.

Granting Authorization to Negotiate and Execute Contract with Polen
Capital Focus Growth Fund

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established a target asset allocation for Global Equity in the Pooled Endowment Fund; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends an investment in Polen Capital Focus Growth Fund of approximately 2.0% for the Pooled Endowment Fund;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to negotiate and execute a contract with Polen Capital Focus Growth Fund.

Granting Authorization to Negotiate and Execute Contract with Northern Trust MSCI All Country World Investable Market Index Fund (NT MSCI ACWI IMI Fund)

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established target asset allocations for Global Equity in the Pooled Endowment Fund and the Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends an investment in NT MSCI ACWI IMI Fund of approximately 3.5% of the Pooled Endowment Fund and approximately 4.0% of the Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to negotiate and execute a contract with NT MSCI ACWI IMI Fund.

Granting Authorization to Negotiate and Execute Contract with PIMCO RAE U.S. Fund

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established target asset allocations for Global Equity in the Pooled Endowment Fund and the Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends an investment in PIMCO RAE U.S. Fund of approximately 2.0% of the Pooled Endowment Fund and approximately 2.5% of the Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to negotiate and execute a contract with PIMCO RAE U.S. Fund.

Granting Authorization to Negotiate and Execute Contract with Sterling Group Partners Foundation Fund

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established a target asset allocation for Global Equity in the Pooled Endowment Fund; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends an investment in Sterling Group Partners Foundation Fund of up to \$15,000,000 for the Pooled Endowment Fund;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to negotiate and execute a contract with Sterling Group Partners Foundation Fund.

Granting Authorization to Terminate Contract with Northern Trust (NT) S&P 500 Equity Index Fund

RESOLUTION

WHEREAS, the Investment Committee of The Board of Trustees of The University of Alabama has previously established a target asset allocation for Global Equity in the Liquidity and Capital Reserve Pool; and

WHEREAS, the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, hereby recommends termination of our investment with Northern Trust (NT) S&P 500 Equity Index Fund in the Liquidity and Capital Reserve Pool;

NOW, THEREFORE, BE IT RESOLVED by the Investment Committee of The Board of Trustees of The University of Alabama that the Senior Vice Chancellor for Finance and Administration, with the advice and assistance of Fund Evaluation Group, and subject to review by the University of Alabama System legal counsel be, and hereby is, authorized to terminate our contract with Northern Trust (NT) S&P 500 Equity Index Fund.

There being no further business to come before the Committee, the meeting was adjourned.



Dana S. Keith, Ph.D.
Senior Vice Chancellor for
Finance and Administration



Mark D. Foley, Jr.
Secretary of the Board of Trustees